

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Bois Blanc Township	County Mackinac
Fiscal Year End March 31, 2008	Opinion Date August 5, 2008	Date Audit Report Submitted to State September 9, 2008	

We affirm that:

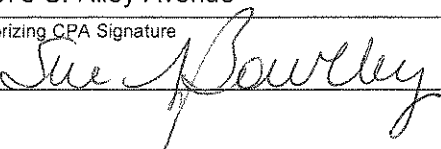
We are certified public accountants licensed to practice in Michigan.

We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

- | YES | NO | Check each applicable box below. (See instructions for further detail.) |
|---|-------------------------------------|---|
| 1. <input checked="" type="checkbox"/> | <input type="checkbox"/> | All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary. |
| 2. <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures. |
| 3. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury. |
| 4. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has adopted a budget for all required funds. |
| 5. <input checked="" type="checkbox"/> | <input type="checkbox"/> | A public hearing on the budget was held in accordance with State statute. |
| 6. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division. |
| 7. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit. |
| 8. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit only holds deposits/investments that comply with statutory requirements. |
| 9. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the <i>Bulletin for Audits of Local Units of Government in Michigan</i> , as revised (see Appendix H of Bulletin). |
| 10. <input checked="" type="checkbox"/> | <input type="checkbox"/> | There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover. |
| 11. <input type="checkbox"/> | <input checked="" type="checkbox"/> | The local unit is free of repeated comments from previous years. |
| 12. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The audit opinion is UNQUALIFIED. |
| 13. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP). |
| 14. <input checked="" type="checkbox"/> | <input type="checkbox"/> | The board or council approves all invoices prior to payment as required by charter or statute. |
| 15. <input checked="" type="checkbox"/> | <input type="checkbox"/> | To our knowledge, bank reconciliations that were reviewed were performed timely. |

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>		
Certified Public Accountant (Firm Name) Anderson, Tackman & Company, PLC		Telephone Number 906-495-5952	
Street Address 16978 S. Riley Avenue		City Kincheloe	State MI
Zip 49788			
Authorizing CPA Signature 	Printed Name Sue A. Bowlby, CPA	License Number 1101020765	

Bois Blanc Township

BASIC FINANCIAL STATEMENTS

March 31, 2008

BOIS BLANC TOWNSHIP

ELECTED OFFICIALS

TOWNSHIP SUPERVISOR

LOREN GIBBONS

TOWNSHIP TREASURER

CHERYL GAHN

TOWNSHIP CLERK

JOAN SCHROKA

TOWNSHIP TRUSTEE

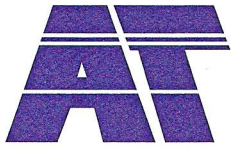
ANNE KENNEDY

TOWNSHIP TRUSTEE

SHELBY NEWHOUSE

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ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

KINROSS OFFICE

PHILLIP J. WOLF, CPA, PRINCIPAL
SUE A. BOWLBY, CPA, PRINCIPAL
KENNETH A. TALSMA, CPA, PRINCIPAL

**MEMBER AICPA
DIVISION FOR CPA FIRMS**

MEMBER MACPA

**OFFICES IN
MICHIGAN & WISCONSIN**

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Bois Blanc Township
PO Box 898, 808 Huron Drive
Pointe aux Pins, Michigan 49775

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bois Blanc Township, Michigan as of and for the year ended March 31, 2008, which collectively comprises the Township's basic financial statements as listed in the Table of Contents. These basic financial statements are the responsibility of the Township's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bois Blanc Township, Michigan as of March 31, 2008, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on page 3 and the budgetary comparison information are not a required part of the financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Anderson, Tackman & Company, PLC
Certified Public Accountants

August 5, 2008

Management's Discussion and Analysis

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements tell how services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide financial statements.

The Township as a Whole

The statement of net assets and the statement of activities report information about the Township as a whole and about its activities in a way that helps answer the question of whether the Township as a whole is better off or worse off as of a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method, used by most private-sector companies. All of the year's revenues and expenses are taken into account regardless of when cash is received or paid.

The two statements mentioned above, report the Township's net assets and the changes in them. The reader can think of the Township's net assets (the difference between assets and liabilities) as one way to measure the Township's financial health or financial position. Over time, increases or decreases in the Township's net assets are one indicator of whether its financial health is improving or deteriorating.

In a condensed format, the table below shows the net assets of Bois Blanc Township.

	<u>Governmental Activities 2008</u>	<u>Governmental Activities 2007</u>
Current Assets	\$ 1,084,711	\$ 978,802
Capital Assets	<u>1,304,005</u>	<u>1,126,526</u>
Total Assets	<u>\$ 2,388,716</u>	<u>\$ 2,105,328</u>
Current Liabilities	\$ 21,183	\$ 18,372
Long-Term Liabilities	<u>216,968</u>	<u>237,791</u>
Total Liabilities	<u>238,151</u>	<u>256,163</u>
Net Assets:		
Invested in Capital Assets – (Net of Related Debt)	1,068,338	870,363
Unrestricted	<u>1,082,227</u>	<u>978,802</u>
Total Net Assets	<u>\$ 2,150,565</u>	<u>\$ 1,849,165</u>

The current level of unrestricted net assets for our governmental activities stands at \$1,082,227, or about 281% of expenses. This is within the targeted range set by the Township Board of Trustees during its last budget process.

The following table shows the activities of the Township.

	<u>Governmental Activities 2008</u>	<u>Governmental Activities 2007</u>
Program Revenues		
Charges for Services	\$ 15,498	\$ 17,737
Grants	160,204	169,245
General Revenues		
Property Taxes	393,163	319,001
State-Shared Revenues	6,411	6,380
Interest	24,873	20,076
Other Revenue	<u>85,757</u>	<u>45,305</u>
Total Revenues	<u>685,906</u>	<u>577,744</u>
Program Expenses		
Legislative	6,884	7,232
General Government	119,546	89,169
Public Safety	90,160	69,470
Public Works	68,780	62,782
Interest Expense	10,580	8,253
Depreciation Expense (unallocated)	<u>88,556</u>	<u>71,621</u>
Total Expenses	<u>384,506</u>	<u>308,527</u>
Changes in Net Assets	301,400	269,217
Net Assets – Beginning	<u>1,849,165</u>	<u>1,579,948</u>
Net Assets – Ending	<u>\$ 2,150,565</u>	<u>\$ 1,849,165</u>

The Township's Funds

Our analysis of the Township's major funds begins on page 8, following the entity wide financial statements. The fund financial statements provide detail information about the most significant funds, not the Township as a whole. The Township Board creates funds to help manage money for specific purposes as well as to show accountability for certain activities, such as special property tax millages. The Township's major funds for 2008 include the General Fund, Airport, Law Enforcement, Fire, Rural Development, and Marina funds.

General Fund Budgetary Highlights

Over the course of the year, the Township Board amended the budget to take into account events during the year. The most significant change was the decrease in the estimated State Revenue Sharing. Township departments overall stayed below budget, resulting in total expenditures \$80,086 below budget. This allowed the General Fund's fund balance to increase from \$253,684 a year ago to \$285,603 at March 31, 2008.

Capital Asset and Debt Administration

At the end of 2008, the Township had \$1,304,005 invested in a broad range of capital assets, including airport, buildings, marina, and fire equipment. In addition, the Township has invested significantly in roads within the Township. These assets are not reported in the Township's financial statements because of Michigan law, which makes these roads the property of the Mackinac County Road Commission (along with the responsibility to maintain them).

Economic Factors and Next Year's Budgets and Rates

The Township's budget for 2008 calls for a freeze on property tax rates. This can be accomplished because of the strong growth in our tax base. Because of the impact of Proposal A, however, the Township needs to continue to watch its budget very closely. The state-wide tax reform act limits growth in taxable value on any individual property to the lesser of inflation. Because some properties increase in value by less than inflation, the mathematical result of this is that the total taxable value for the Township will grow less than by inflation, before considering new property additions. Also, reductions in State Revenue Sharing continues to hurt the Township.

Contacting the Township's Management

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have any questions about this report or need additional information, we welcome you to contact the Township Hall at: (231) 634-7275.

Basic Financial Statements

**Statement of Net Assets
March 31, 2008**

	<u>Governmental Activities</u>
ASSETS:	
Current Assets	
Cash & Equivalents - Unrestricted	\$ 931,336
Taxes Receivable	<u>153,375</u>
 TOTAL CURRENT ASSETS	 <u>1,084,711</u>
Noncurrent Assets	
Capital Assets, (Net of Accumulated Depreciation)	<u>1,304,005</u>
 TOTAL ASSETS	 <u><u>\$ 2,388,716</u></u>
LIABILITIES AND NET ASSETS:	
Current Liabilities	
Other Liabilities	\$ 2,484
Current Portion of Long-Term Liabilities	<u>18,699</u>
 TOTAL CURRENT LIABILITIES	 <u>21,183</u>
Long Term Liabilities	
Notes Payable	<u>216,968</u>
 TOTAL LIABILITIES	 <u>238,151</u>
NET ASSETS:	
Invested in Capital Assets (net of related debt)	1,068,338
Unrestricted	<u>1,082,227</u>
 TOTAL NET ASSETS	 <u><u>\$ 2,150,565</u></u>

Bois Blanc Township, Michigan

Statement of Activities For the Year Ended March 31, 2008

Functions/Programs	Expenses	Program Revenues		Governmental Activities
		Charges for Services	Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Governmental Activities:				
Legislative	\$ 6,884	\$ -	\$ -	\$ (6,884)
General Government	119,546	15,498	-	(104,048)
Public Safety	90,160	-	-	(90,160)
Public Works	68,780	-	160,204	91,424
Interest Expense	10,580	-	-	(10,580)
Depreciation (Unallocated)	88,556	-	-	(88,556)
Total Governmental Activities	<u>\$ 384,506</u>	<u>\$ 15,498</u>	<u>\$ 160,204</u>	(208,804)
General Revenues:				
Taxes				393,163
State Revenue Sharing & Other				6,411
Interest				24,873
Miscellaneous				85,757
Total General Revenues				<u>510,204</u>
Changes in Net Assets				301,400
Net Assets - Beginning				<u>1,849,165</u>
Net Assets - Ending				<u>\$ 2,150,565</u>

Bois Blanc Township, Michigan

Balance Sheet Governmental Funds March 31, 2008

	General Fund	Airport Fund	Law Enforcement Fund	Fire Fund	Marina Fund	Other Funds	Total Governmental Funds
ASSETS:							
Cash & Equivalents	\$ 236,601	\$ 71,548	\$ 107,608	\$ 108,323	\$ 364,820	\$ 42,436	\$ 931,336
Taxes Receivable	62,447	27,540	9,179	17,984	27,555	8,670	153,375
Due from Other Funds	-	2,790	-	3,354	2,464	4,687	13,295
TOTAL ASSETS	\$ 299,048	\$ 101,878	\$ 116,787	\$ 129,661	\$ 394,839	\$ 55,793	\$ 1,098,006
LIABILITIES:							
Due to Other Funds	\$ 11,544	\$ -	\$ 1,706	\$ -	\$ -	\$ 45	\$ 13,295
Other Liabilities	1,901	370	-	162	5	46	2,484
TOTAL LIABILITIES	13,445	370	1,706	162	5	91	15,779
FUND BALANCES:							
Unreserved:							
Designated	-	101,508	115,081	129,499	-	-	346,088
Undesignated	285,603	-	-	-	394,834	55,702	736,139
TOTAL FUND BALANCES	285,603	101,508	115,081	129,499	394,834	55,702	1,082,227
TOTAL LIABILITIES AND FUND BALANCES	\$ 299,048	\$ 101,878	\$ 116,787	\$ 129,661	\$ 394,839	\$ 55,793	

Reconciliation to amounts reported for governmental activities in the statement of net assets:

Capital assets used by governmental activities are not financial resources and therefore not reported in the funds	1,304,005
Long term notes payable principal is not a current liability and not reported in the funds	(235,667)
Net assets of governmental activities	\$ 2,150,565

Bois Blanc Township, Michigan

Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds For the Year Ended March 31, 2008

	General Fund	Airport Fund	Law Enforcement Fund	Fire Fund	Marina Fund	Other Funds	Totals Governmental Funds
REVENUES:							
Taxes	\$ 153,715	\$ 71,958	\$ 24,427	\$ 46,663	\$ 73,329	\$ 23,071	\$ 393,163
Federal Sources	-	-	-	-	-	12,850	12,850
State Sources	6,411	147,354	-	-	-	-	153,765
Charges for Services	8,439	-	-	-	-	7,059	15,498
Interest	7,363	1,654	2,991	2,616	9,396	853	24,873
Rentals	-	-	-	225	1,872	-	2,097
Other Revenue	54,644	15,535	770	508	12,193	10	83,660
TOTAL REVENUES	230,572	236,501	28,188	50,012	96,790	43,843	685,906
EXPENDITURES:							
General Government	119,546	-	-	-	-	-	119,546
Legislative	6,884	-	-	-	-	-	6,884
Public Safety	11,339	-	45,199	33,622	-	-	90,160
Public Works	15,600	13,648	-	-	15,803	23,729	68,780
Debt Service	-	12,893	-	18,183	-	-	31,076
Capital Outlay	43,469	198,839	-	-	-	23,727	266,035
TOTAL EXPENDITURES	196,838	225,380	45,199	51,805	15,803	47,456	582,481
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	33,734	11,121	(17,011)	(1,793)	80,987	(3,613)	103,425
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	2,047	2,047
Transfers Out	(1,815)	-	-	(232)	-	-	(2,047)
TOTAL OTHER FINANCING SOURCES (USES)	(1,815)	-	-	(232)	-	2,047	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	31,919	11,121	(17,011)	(2,025)	80,987	(1,566)	103,425
FUND BALANCES, APRIL 1	253,684	90,387	132,092	131,524	313,847	57,268	978,802
FUND BALANCES, MARCH 31	\$ 285,603	\$ 101,508	\$ 115,081	\$ 129,499	\$ 394,834	\$ 55,702	\$ 1,082,227

See accompanying notes to financial statements.

Bois Blanc Township, Michigan

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended March 31, 2008

Net changes in fund balances - total governmental funds	\$ 103,425
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The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds reported capital outlays as expenditures. However, in the statement of activities the cost of those assets is capitalized and the cost of those assets is allocated over their estimated useful lives and reported as depreciation.

Capital Outlay	266,035
Depreciation expense	(88,556)

Repayment of debt principal is an expenditure in the governmental funds. The repayment does not have an effect in the statement of activities but does reduce the debt balance in the statement of net assets.

Principal payments on long-term debt	<u>20,496</u>
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Changes in net assets of governmental activities	<u><u>\$ 301,400</u></u>
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**Statement of Fiduciary Net Assets
Fiduciary Funds
March 31, 2008**

	<u>Current Tax Collection Fund</u>
ASSETS:	
Cash & Equivalents	<u>\$ 212,792</u>
 TOTAL ASSETS	 <u><u>\$ 212,792</u></u>
LIABILITIES:	
Due to Other Units	<u>\$ 212,792</u>
 TOTAL LIABILITIES	 <u><u>\$ 212,792</u></u>

Notes to Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Bois Blanc Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The following is a summary of the significant accounting policies used by the Township:

A – Financial Reporting Entity:

Bois Blanc Township ("The Township") is a regular law Michigan township located on an island in Mackinac County, Michigan.

The Township operates under an elected Board of Trustees and provides services to its residents in many areas including ambulance protection, community enrichment, and development.

The Township, for financial purposes, includes all of the funds and account groups relevant to the operations of Bois Blanc Township. The financial statements herein do not include agencies which have been formed under applicable State laws or separate and distinct units of government apart from Bois Blanc Township.

B – Government-Wide and Fund Financial Statements:

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first, then unrestricted resources as needed.

C – Measurement Focus, Basis of Accounting and Financial Statement Presentation:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Taxes Receivable – Current or Property Taxes

The Bois Blanc Township property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in the County of Mackinac as of the preceding December 31st.

The December 1, 2007 taxable valuation of Bois Blanc Township totaled \$22,185,024, on which ad valorem taxes levied consisted of 31.3545 mills for the Township operating. This amount is recognized in the General Fund financial statements as tax revenue.

In addition to collecting their taxes, the Township also acts as a collection agent for all overlapping governments in the Township. The Township's portion of the tax is collected between December 1 and February 28. Unpaid taxes are subsequently turned over to the County Treasurer for collection. The County maintains a tax revolving fund which permits the County to pay the Township 100% of the delinquent real taxes within approximately two to three months after the delivery of the delinquent bills.

The Township reports the following major governmental funds:

General Fund

This is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Airport Fund

This Fund accounts for airport services for residents of Bois Blanc Township.

Law Enforcement Fund

This Fund accounts for law enforcement services for residents of Bois Blanc Township.

Fire Fund

This Fund accounts for fire protection services for residents of Bois Blanc Township.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Marina Fund**

This Fund accounts for marina services for residents of Bois Blanc Township.

Additionally, the Township reports the following fund:

Agency Funds

Agency Funds are used to account for assets held by the Township as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

All other revenue items are considered to be available only when cash is received by the government.

Private-sector standards of accounting issued prior to December 1, 1989 are generally followed in the government-wide financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's tax collection function and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenue include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

D - Assets, Liabilities, and Net Assets or Equity

Bank Deposits and Investments – Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value. Pooled investment income from all funds and is allocated to each fund based on average cash balance. Deposits are recorded at cost.

Receivables and Payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “advances to/from other funds.”

Capital Assets – Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant, and equipment are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	15 - 39 years
Equipment and Furniture	3 - 10 years

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Fund Balance – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Interfund Transfers – During the course of normal operations, the Township has numerous transactions between funds, including expenditures and transfers of resources to provide services. The accompanying financial statements generally reflect such transactions as operating transfers. The classification of amounts recorded as subsidies, advances, or equity contributions is determined by Township management.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the reporting period. Actual results could differ from those estimates.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information – The Township Board created a budget for fiscal year 2008. Annual Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles.

Budgets and Budgetary Control – The Township follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Each March, after receiving input from the individual departments, the Board prepares a proposed operating budget for the fiscal period commencing April 1 and lapses on March 31. The operating budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted to obtain taxpayer comments.
- c. Prior to April 1, the budget is legally enacted through a resolution passed by the Township Board.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

- d. Budgetary control is exercised at the departmental level of the General Fund. Any revisions that alter the total expenditures of any department or fund (i.e., budget amendments) require approval by the Board of Trustees. Such amendments are made in accordance with the procedures prescribed under Public Act 621 of 1978.
- e. The budget and approved appropriations lapse at the end of the fiscal year.
- f. The Township does not record encumbrances in the accounting records during the year as normal practice and, therefore, no outstanding encumbrances exist at year-end.

Budgeted amounts are as originally adopted or amended by the Board of Trustees during the year. Individual amendments were not material in relation to the original appropriations, which were amended. The modified accrual basis of accounting is used for budgetary purposes.

The General Fund budget was adopted on the basis of activities or programs financed by the General Fund.

Michigan Public Act 621 of 1978 (the Budgeting Act) requires that budgets be adopted for Governmental Funds. U.S. generally accepted accounting principles require that the financial statements present budgetary comparisons for the Governmental Fund Types for which budgets were legally adopted. The original budget adopted for the General fund was modified throughout the year through various budget amendments.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the department level.

Excess of Expenditures Over Appropriations in Budgeted Funds – Public Act 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. In the body of the financial statements, the Airport fund's actual expenditures and budgeted expenditures for the budgetary fund had been shown on a functional basis. The budget is adopted at the functional level. During the year ended March 31, 2008, the Airport fund incurred expenditures which were in excess of the amount appropriated.

NOTE 3 - DEPOSITS AND INVESTMENTS

At year end, the Township's deposits were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>
Checking and Savings	\$ 931,336	\$ 212,792
Total	<u>\$ 931,336</u>	<u>\$ 212,792</u>

The Township's deposits are located in three financial institutions. Deposits are carried at cost.

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**Investment and Deposit Risk**

Interest rate risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the following list of authorized investments.

Credit risk. The Township has no investments for which ratings are required.

Custodial deposit credit risk. Custodial deposit credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned. State law does not require and the Township does not have a policy for deposit custodial credit risk. As of year end, \$944,128 of the Township's bank balance of \$1,144,128 was exposed to credit risk because it was uninsured and uncollateralized.

Statutory Authority:

Michigan Law (Public Act 20 of 1943 as amended) authorizes the Township to deposit and invest in one or more of the following:

- a. Bond, securities, and other obligations of the United States or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution that is eligible to be a depository of funds belonging to the State under a law or rule of this State or the United States.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and matures not more than 270 days after the date of purchase.
- d. Repurchase agreements consisting of instruments listed in a.
- e. Banker's acceptance of United States banks.
- f. Obligations of this State or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.
- g. Mutual funds registered under the investment company act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- h. Obligation described in a. through g. if purchased through an interlocal agreement under the urban cooperations act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

- i. Investment pools organized under the surplus funds investment pool act, 1982 PA 367, 129.111 to 129.118.
- j. The investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.

The Township's deposits are in accordance with statutory authority.

NOTE 4 - CAPITAL ASSETS

A summary of capital assets are as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Adjustments</u>	<u>Ending Balances</u>
<i>Capital assets not being depreciated:</i>				
Land	\$ 18,016	\$ 38,200	\$ -	\$ 56,216
Construction in Progress	<u>-</u>	<u>168,689</u>	<u>-</u>	<u>168,689</u>
Subtotal	<u>18,016</u>	<u>206,889</u>	<u>-</u>	<u>224,905</u>
<i>Capital assets being depreciated:</i>				
Land Improvements	983,800	30,150	-	1,013,950
Buildings and Improvements	407,017	19,733	-	426,750
Furniture, Fixtures, and Equipment	<u>313,825</u>	<u>9,263</u>	<u>-</u>	<u>323,088</u>
Subtotal	<u>1,704,642</u>	<u>59,146</u>	<u>-</u>	<u>1,763,788</u>
<i>Less accumulated depreciation</i>	<u>(596,132)</u>	<u>(88,556)</u>	<u>-</u>	<u>(684,688)</u>
Total capital assets being Depreciated – net	<u>1,108,510</u>	<u>(29,410)</u>	<u>-</u>	<u>1,079,100</u>
Total Governmental Activities Capital Assets	<u>\$ 1,126,526</u>	<u>\$ 177,479</u>	<u>\$ -</u>	<u>\$ 1,304,005</u>

Depreciation for the fiscal year ended March 31, 2008 amounted to \$88,556. The Township determined that it was impractical to allocate depreciation to the various governmental activities as the assets serve multiple functions.

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

The Township reports interfund balances between many of its funds. Some of the balances are considered immaterial and are aggregated into a single column or row. The total of all balances agrees with the sum of interfund balances presented in the statements of net assets/balance sheet for governmental funds, proprietary funds, and fiduciary funds. Interfund transactions resulting in interfund Receivables and Payable are as follows:

DUE TO OTHER FUNDS	DUE FROM OTHER FUNDS					
	Airport Fund	Fire Fund	Marina Fund	Other Funds	Total	
	General Fund	\$ 2,790	\$ 3,354	\$ 2,464	\$ 2,936	\$ 11,544
	Law Enforcement Fund	-	-	-	1,706	1,706
	Other Funds	-	-	-	45	45
	<u>\$ 2,790</u>	<u>\$ 3,354</u>	<u>\$ 2,464</u>	<u>\$ 4,687</u>	<u>\$ 13,295</u>	

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

		TRANSFERS OUT		
		General Fund	Fire Fund	Total
TRANSFERS IN	Rural Development Fund	\$ 1,815	\$ 232	\$ 2,047
	Total	\$ 1,815	\$ 232	\$ 2,047

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) moves receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the Long-Term Debt for the year ending March 31, 2008.

	Balance 04/01/07	Additions	Deductions	Balance 03/31/08	Due Within One Year
Note Payable, secured by equipment, due in varying annual installments, interest accruing at 4.25% through 2021.	\$ 169,000	\$ -	\$ (11,000)	\$ 158,000	\$ 10,000
Note Payable, Michigan Aeronautics Commission, due in annual installments of \$11,814, interest accruing at 3.9% through September 13, 2014.	87,163	-	(9,496)	77,667	8,699
TOTAL LONG-TERM DEBT	<u>\$ 256,163</u>	<u>\$ -</u>	<u>\$ (20,496)</u>	<u>\$ 235,667</u>	<u>\$ 18,699</u>

Annual debt service requirements to maturity for the above obligations are as follows:

<u>Year End March 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	\$ 18,699	\$ 8,992
2010	19,038	9,024
2011	19,390	8,203
2012	19,757	7,370
2013	19,757	6,521
2014 – 2017	<u>139,026</u>	<u>24,525</u>
Total	<u>\$ 235,667</u>	<u>\$ 64,635</u>

NOTE 7 - CONTINGENCIES:

Risk Management – The Township of Bois Blanc is exposed to various risks of loss related to property loss, torts, errors, and omissions, employee injuries, as well as workmen's compensation benefits provided to employees. The Township participates in the Michigan Township Participating Plan for general liability, property loss, automobile, professional, public official errors and omissions liabilities. In addition, the Township has purchased commercial insurance for workmen's compensation benefits.

Settled claims for the insurance have not exceeded the amount of coverage in any of the past three years. There was no reduction in coverages obtained through insurance during the past year.

The Township has received significant financial assistance from state and federal agencies in the form of various grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreement and is subject to audit by the grantor agency. Any disallowed claims resulting from such audits could become a liability of the applicable fund of the Township. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements included herein or on the overall financial position of the Township at March 31, 2008.

Required Supplementary Information

Bois Blanc Township, Michigan

Required Supplementary Information Budgetary Comparison Schedule General Fund For the Year Ended March 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 143,565	\$ 143,565	\$ 153,715	\$ 10,150
State Sources	6,200	6,200	6,411	211
Interest	4,500	4,500	7,363	2,863
Charges for Services	10,900	10,900	8,439	(2,461)
Miscellaneous	12,300	50,500	54,644	4,144
TOTAL REVENUES	177,465	215,665	230,572	14,907
EXPENDITURES:				
Legislative:				
Township Board	7,500	7,500	6,884	616
Total Legislative:	7,500	7,500	6,884	616
General Government:				
Supervisor	10,100	10,100	9,530	570
Treasurer	28,500	29,270	28,181	1,089
Clerk	13,100	13,100	12,091	1,009
Assessor	20,525	20,525	18,848	1,677
Board of Review	935	935	814	121
Township Hall & Grounds Activities	37,900	38,741	33,626	5,115
Cemetery	2,050	2,050	1,440	610
Elections	1,090	2,291	2,061	230
Parks & Recreation	30,000	30,000	2,300	27,700
Professional	10,000	10,685	10,655	30
Total General Government	154,200	157,697	119,546	38,151
Public Safety:				
Planning and Zoning	17,800	17,800	11,339	6,461
Total Public Safety	17,800	17,800	11,339	6,461
Public Works:				
Road Work	21,200	21,200	15,600	5,600
Total Public Works	21,200	21,200	15,600	5,600
Capital Outlay	20,000	58,200	43,469	14,731
Contingency	20,000	14,527	-	14,527
TOTAL EXPENDITURES	240,700	276,924	196,838	80,086
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(63,235)	(61,259)	33,734	94,993
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(1,978)	(1,815)	(163)
TOTAL OTHER FINANCING SOURCES (USES)	-	(1,978)	(1,815)	(163)
NET CHANGES IN FUND BALANCES	\$ (63,235)	\$ (63,237)	31,919	\$ 94,830
FUND BALANCE, APRIL 1			253,684	
FUND BALANCE, MARCH 31			\$ 285,603	

Bois Blanc Township, Michigan**Required Supplementary Information
Budgetary Comparison Schedule
Airport Fund
For the Year Ended March 31, 2008**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property Taxes	\$ 67,000	\$ 67,000	\$ 71,958	\$ 4,958
State Grants	-	-	147,354	147,354
Interest	1,000	1,000	1,654	654
Miscellaneous	2,000	15,747	15,535	(212)
TOTAL REVENUES	70,000	83,747	236,501	152,754
EXPENDITURES:				
Public Works:				
Airport	12,950	13,731	13,648	83
Debt Service	13,700	13,700	12,893	807
Contingency	10,000	9,219	-	9,219
Capital Outlay	40,000	53,746	198,839	(145,093)
TOTAL EXPENDITURES	76,650	90,396	225,380	(134,984)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (6,650)	\$ (6,649)	11,121	\$ 287,738
FUND BALANCE, APRIL 1			90,387	
FUND BALANCE, MARCH 31			\$ 101,508	

Bois Blanc Township, Michigan

Required Supplementary Information Budgetary Comparison Schedule Law Enforcement Fund For the Year Ended March 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property Taxes	\$ 25,500	\$ 25,500	\$ 24,427	\$ (1,073)
Interest	3,500	3,500	2,991	(509)
Miscellaneous	800	800	770	(30)
 TOTAL REVENUES	 29,800	 29,800	 28,188	 (1,612)
EXPENDITURES:				
Public Safety:				
Law Enforcement	47,500	47,500	45,199	2,301
Contingency	10,000	9,000	-	9,000
Capital Outlay	55,000	55,000	-	55,000
 TOTAL EXPENDITURES	 112,500	 111,500	 45,199	 66,301
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 \$ (82,700)	 \$ (81,700)	 (17,011)	 \$ (67,913)
 FUND BALANCE, APRIL 1			 132,092	
 FUND BALANCE, MARCH 31			 \$ 115,081	

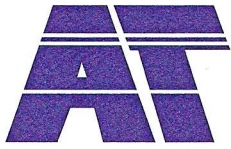
Bois Blanc Township, Michigan

Required Supplementary Information Budgetary Comparison Schedule Fire Fund For the Year Ended March 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property Taxes	\$ 49,500	\$ 49,500	\$ 46,663	\$ (2,837)
Rent	500	500	225	(275)
Interest	3,000	3,000	2,616	(384)
Miscellaneous	-	-	508	508
TOTAL REVENUES	53,000	53,000	50,012	(2,988)
EXPENDITURES:				
Public Safety:				
Fire Protection	74,800	74,568	33,622	40,946
Debt Service	15,500	18,183	18,183	-
Contingency	10,000	7,318	-	7,318
Capital Outlay	20,000	20,000	-	20,000
TOTAL EXPENDITURES	120,300	120,069	51,805	68,264
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(67,300)	(67,069)	(1,793)	(71,252)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(232)	(232)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(232)	(232)	-
NET CHANGES IN FUND BALANCES	\$ (67,300)	\$ (67,301)	(2,025)	\$ -
FUND BALANCE, APRIL 1			131,524	
FUND BALANCE, MARCH 31			\$ 129,499	

Bois Blanc Township, Michigan**Required Supplementary Information
Budgetary Comparison Schedule
Marina Fund
For the Year Ended March 31, 2008**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property Taxes	\$ 69,000	\$ 69,000	\$ 73,329	\$ 4,329
Rent	1,900	1,900	1,872	(28)
Interest	8,000	8,000	9,396	1,396
Miscellaneous	16,600	16,600	12,193	(4,407)
TOTAL REVENUES	95,500	95,500	96,790	1,290
EXPENDITURES:				
Public Works:				
Marina	25,100	25,100	15,803	9,297
Contingency	20,000	20,000	-	20,000
TOTAL EXPENDITURES	45,100	45,100	15,803	29,297
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 50,400	\$ 50,400	80,987	\$ (28,007)
FUND BALANCE, APRIL 1			313,847	
FUND BALANCE, MARCH 31			\$ 394,834	



ANDERSON, TACKMAN & COMPANY, PLC
CERTIFIED PUBLIC ACCOUNTANTS

KINROSS OFFICE

PHILLIP J. WOLF, CPA, PRINCIPAL
SUE A. BOWLBY, CPA, PRINCIPAL
KENNETH A. TALSMAN, CPA, PRINCIPAL

**MEMBER AICPA
DIVISION FOR CPA FIRMS**

MEMBER MACPA

**OFFICES IN
MICHIGAN & WISCONSIN**

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Members of the Board
Bois Blanc Township
Pointe aux Pins, MI 49775

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Bois Blanc Township for the year ended March 31, 2008, and have issued our report thereon dated August 5, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 10, 2008, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter about planning matters on July 10, 2008.

Significant Accounting Policies

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Bois Blanc Township are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the depreciation expense based on estimated lives. We evaluated the key factors and assumptions used to develop the estimate in determine that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreement with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 5, 2008.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us as to determine the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Comments and Recommendations

Personal Property Taxes (Prior Year)

Currently, the Township is not recording the amount of outstanding delinquent personal property taxes that are due to the Township in the general ledger. It is recommended the Township record the amount of outstanding delinquent personal property taxes in the general ledger of each fund that has a tax levy. The Township should maintain subsidiary ledgers which show the amount of delinquent personal property taxes owed by each taxing unit by individual tax year.

Fraud Policy (Prior Year)

With the implementation of Statement of Auditing Standards No. 99, auditors are required to assess policies and procedures regarding fraud risks within a governmental entity. The Board does not have a "fraud policy" which would address fraud or suspected fraud and related board actions. We recommend the Board adopt a fraud policy in compliance with SAS No. 99.

Accrual Basis of Accounting (Prior Year)

The Township needs to incorporate the modified accrual basis of accounting into its interim financial statements. Numerous adjustments were made to attain the modified accrual basis of accounting.

Policies (Prior Year)

During several discussions with the Township Treasurer, we found the Township does not have written policies for accounting procedures and a Township disaster recovery plan. It is recommended the Township prepare and adopt written policies for accounting procedures and a disaster recovery plan.

Conflict of Interest/Competitive Bids (Prir Year)

The Township currently has no conflict of interest policy or a competitive bid policy in place. These policies ensure related parties abstain from voting on related issues and allow for competitive pricing on contracts the Township enters into.

State Grants (Prior Year)

The Township receives as a subrecipient several grants administered by the State. The dollars expended on the Township's behalf should be recorded on the Township's accounting system to properly account for these grants.

Conclusion

We would like to express our appreciation, as well as that of our staff, for the excellent cooperation we received while performing the audit. If we can be of assistance in implementing the above recommendations, please contact us.

This information is intended solely for the use of the Board of Trustees and management of Bois Blanc Township, Michigan and is not intended to be and should not be used by anyone other than these specified parties.



Anderson, Tackman & Company, PLC
Certified Public Accountants

August 5, 2008